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Press Release

GVS STARTED THE PROCESS FOR THE ADMISSION TO LISTING ON THE MERCATO TELEMATICO AZIONARIO ORGANIZED AND MANAGED BY BORSA ITALIANA S.P.A.

Zola Pedrosa (BO), 29 May 2020 - GVS S.p.A (the "**Company**" or "**GVS**") announces that it has started the activities to list (the "**Listing**") its ordinary shares (the "**Shares**") on the Mercato Telematico Azionario organized and managed by Borsa Italiana S.p.A. (the "**Mercato Telematico Azionario**").

In particular, the free float required for the purposes of the Listing will be realized through a private placement (the "**Offering**") reserved for qualified investors in Italy and institutional investors abroad pursuant to Regulation S of the United States Securities Act of 1933, as subsequently amended (the "**Securities Act**"), and, in the United States of America, limited to "Qualified Institutional Buyers" ("QIBs") pursuant to Rule 144A of the Securities Act, with the exclusion of those countries where the Offering is not permitted without specific authorization of the relevant authorities, in accordance with applicable laws or by way of exception to such provisions

The Offering will comprise: (i) newly issued shares resulting from a capital increase with the exclusion of pre-emptive rights (the "**Capital Increase**") and ii) existing shares, equivalent to 15% and 85% of the Offering, respectively. A Greenshoe option is also expected to be provided in connection with the Offering.

The final structure of the Offering together with the other relevant terms will be determined immediately before the commencement of the Offering, and will guarantee an adequate liquidity in the aftermarket.

As of the date of this announcement, it is expected that the free float will be more than sufficient with respect to the minimum level required by Borsa Italiana

Depending upon market conditions and subject to obtaining the required approvals from Borsa Italiana and Consob, at the date of this press release the Offering is expected to be launched during June 2020.

In connection with the Offering, Goldman Sachs International and Mediobanca – Banca di Credito Finanziario S.p.A. will act as *joint global coordinators e joint bookrunners*. Lazard will act as *financial advisor* of the Company. Alirahealth will act as *independent strategic advisor*.

White & Case is acting as legal advisor of the Company, whilst Clifford Chance is acting as legal advisor of the *joint global coordinators e joint bookrunners*.

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Company Description

GVS is one of world's largest manufacturers of filter components and materials and among the global leaders in the supply of filtration solutions in the Healthcare & Life Sciences, Energy & Mobility e Health & Safety sectors.

GVS has a strong international presence with 13 production plants located in Italy, United Kingdom, Brazil, United States, China, Mexico and Romania and 6 commercial companies located in Argentina, Russia, Turkey, Japan, Korea and China.

The Group had revenues of €227m and Adjusted Ebitda of €62m for the year ended December 31, 2019.

Q1 20 Business Update

During the three months ended March 31, 2020 GVS recorded a 4.7% growth in revenue from contracts with customers, compared to the three months ended March 31, 2019 mainly attributable to the Health & Safety division.

The EBITDA in the quarters under analysis went from €16m for the three months ended March 31, 2019 to €17m for the three months ended March 31, 2020, with a consequent increase in EBITDA Margin (from 28.6% for the three months ended March 31, 2019 to 29.0% for the three months ended March 31, 2020). This is mainly due to the increase in revenue from contracts with customers and to the reduction in personnel expenses, whose incidence on revenue decreased from 33.4% to 31.0%.

FY 2020 Outlook

In consideration of the trends occurred in GVS reference markets in the first months of 2020 and the impact of these trends on the Group's operations and activities, on May 8, 2020 (hereinafter the "**Reference Date**") GVS has prepared certain estimates about their expected performance for the year 2020.

These estimates shall not be considered representative of a trend for the years following the period covered by such estimates.

In particular, based on the amount of revenue from contracts with customers that the Company recorded in the three months ended March 31, 2020, the amount of such revenue recorded in April 2020 and the order backlog acquired as of the Reference Date, GVS expects to reach, net of any further acquisitions or cancellations of orders, revenue ranging from €280 million to €320 million in the year ending December 31, 2020. This represents an increase of 23%-41% compared to the revenue recorded in the year ended December 31, 2019. The revenue growth rate expected in 2020 is greater than the historical average growth of GVS's business due to an accelerated demand for filters for respirators and individual protection masks driven by the COVID-19 pandemic.

As of the Reference Date, in terms of breakdown of expected revenue from contracts with customers between divisions, for the year ending December 31, 2020, the Company expects to obtain:

- approximately 50% from the Healthcare & Life Sciences division, in line with the incidence recorded in the year ended December 31, 2019;
- approximately 15%-20% from the Energy & Mobility division, which, compared to approximately 39% registered in the year ended December 31, 2019, will reduce its incidence as a consequence of the reduction (based on a conservative estimate) of all clients' order estimates until the end of 2020, due to the effects on the reference market of the COVID-19 pandemic; the pandemic, moreover, will extend the delay already registered in the departure of new platforms of some customers of the division; and
- approximately 30%-35% from the Health & Safety division, a significant increase compared to the 10% incidence registered in the year ended December 31, 2019.

Furthermore, GVS expects to increase their Adjusted EBITDA Margin for the year ending on

December 31, 2020, compared to the Adjusted EBITDA Margin recorded in the three months ended March 31, 2020, equal to 31.5%. Therefore, GVS expects Adjusted EBITDA for the year ending December 31, 2020 not to be less than 31.5% of expected revenue and to change depending on whether estimated revenue will be equal to the lower or the higher value of the estimated range. In particular:

- Adjusted EBITDA will be no less than €88.2 million, equal to 31.5% of €280 million, in the hypothesis of the lower value of estimated revenue for 2020; or
- Adjusted EBITDA will be no less than €100.8 million, equal to 31.5% of €320 million, in the hypothesis of the higher value of estimated revenue for 2020.

The preparation of the Forecast 2020 is based upon, among other things, certain assumptions concerning future events that management expects to occur, and the actions management intends to take; such events and actions may not actually be realized, as they depend substantially on variables which management cannot control, and may involve situations that management cannot predict. As a result, the estimates in the Forecast 2020 are by definition uncertain and may differ materially from and fall short of those projected or implied in the estimates.

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This announcement is not a prospectus within the meaning of Directive 2003/71/EC of the European Parliament at the Council of November 4th, 2003, as amended, in particular by Directive 2010/73/UE (together, the "Prospectus Directive").

Investors should not subscribe for any securities referred to in this document except on the basis of information contained in the prospectus or the international offering circular which include detailed information regarding the Company and the risks involved in investing in the securities. In any EEA Member State that has implemented the Prospectus Directive, this communication is only addressed to and is only directed at qualified investors in that Member State within the meaning of the Prospectus Directive.

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Solely for the purposes of the product governance requirements contained within: (a) EU Directive 2014/65/EU on markets in financial instruments, as amended ("MiFID II"); (b) Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing MiFID II; and (c) local implementing measures (together, the "MiFID II Product Governance Requirements"), and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any "manufacturer" (for the purposes of the MiFID II Product Governance Requirements) may otherwise have with respect thereto, the shares of the Company (the "Shares") have been subject to a product approval process, which has determined that such Shares are: (i) compatible with an end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, each as defined in MiFID II; and (ii) eligible for distribution through all

distribution channels as are permitted by MiFID II to such target market (the “**Target Market Assessment**”). Notwithstanding the Target Market Assessment, distributors should note that: the price of the Shares may decline and investors could lose all or part of their investment; the Shares offer no guaranteed income and no capital protection; and an investment in the Shares is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. The Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the offering. Furthermore, it is noted that, notwithstanding the Target Market Assessment, the joint global coordinators and joint bookrunners will only procure investors who meet the criteria of professional clients and eligible counterparties.

For the avoidance of doubt, the Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of MiFID II; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the Shares. Each distributor is responsible for undertaking its own target market assessment in respect of the Shares and determining appropriate distribution channels.

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The Managers are each acting exclusively for the Company and the shareholders selling Shares in the transaction referred to in this announcement and for no-one else in connection with any transaction mentioned in this announcement and will not regard any other person (whether or not a recipient of this announcement) as a client in relation to any such transaction and will not be responsible to any other person for providing the protections afforded to their respective clients, or for advising any such person on the contents of this announcement or in connection with any transaction referred to in this announcement. The contents of this announcement have not been verified by the Managers.